

## Attachment B: Additional Proposed Revisions to the Renewables Portfolio Standard Eligibility Guidebook

The following provides the additional changes that staff, with input and guidance from lead Commissioner Carla Peterman, is proposing to the *Renewables Portfolio Standard Eligibility Guidebook (RPS Guidebook)* since the initial Notice to Consider Adoption of Revisions to the Renewables Portfolio Standard Eligibility Guidebook and the Overall Program Guidebook for the Renewable Energy Program was released on April 18, 2012. These additional proposed changes to the *RPS Guidebook* are recommended by staff as a result of public comments received by the Energy Commission as of April 27, 2012, in response to the Energy Commission's earlier notice of proposed guidebook revisions; the changes pertain to electric generation facilities that use nonrenewable fuels or energy resources for the RPS.

The additional proposed changes provided below are not reflected in the draft *RPS Guidebook*, which provides the staff's initial proposed changes shown in underline/strikeout format, and which is available on the Energy Commission's website at:

[www.energy.ca.gov/portfolio/documents/index.html](http://www.energy.ca.gov/portfolio/documents/index.html)

*Note: Additional proposed changes to the draft RPS Guidebook are presented in gray highlight to make it easier to identify the changes.*

## II. Eligibility Requirements

### C. Renewable Facilities Using Multiple Energy Resources

1. Measuring the Renewable Generation From Multifuel Facilities is revised as follows:

Page 47	<p>3. <u>The use of nonrenewable fuel for maintenance or increase in thermal energy is limited to the facility's pre-generation warming period and the period of time between the final daily termination of generation shutdown of the generator and the facility's daily initial commencement of generation the next morning.</u><sup>85</sup></p> <p>Footnote 85: <u>For example, the pre-generation warming period for the daily initial startup and overnight freeze protection would be treated as part of the period of time between the facility's final daily termination of generation and the facility's initial commencement of generation the next morning.</u></p>
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2. De Minimis Quantity of Nonrenewable Fuels or Energy Resources is revised as follows:

Page 50	<p>3. <u>The higher quantity of nonrenewable fuel used at the facility will lead to an increase in generation from the facility that is significantly greater than generation from the nonrenewable fuel alone. Significantly greater generation from the facility is defined as an increase in generation that, as a result of the increased quantity of nonrenewable fuel use, is greater than twice equals three times the generation potential of the increased quantity of nonrenewable fuel alone.<sup>86</sup> This equates to an increase in generation attributable to the renewable fuel that is greater than is twice as great as the generation potential from the increased quantity of nonrenewable fuel alone.<sup>87</sup></u></p> <p>Footnote 86: <u>The generation potential of the increased nonrenewable fuel alone is calculated by applying the heat rate of the facility to the increased quantity of the nonrenewable fuel.</u></p> <p>Footnote 87: <u>The Energy Commission may revise the definition of “significant” for this purpose after a sampling of operational data is available.</u></p>
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4. Counting Nonrenewable Fuel Use as RPS-Eligible is revised as follows:

Pages 51-52	<p><u>All generation from multifuel facilities using fossil fuel or other nonrenewable fuel and meeting the conditions described in Subsections 2 or 3 above may be counted for RPS. However, †The Energy Commission must ensure will not verify that RECs associated with electricity generation from nonrenewable fuels qualify as eligible for California’s RPS until after annual data are available. are not prematurely labeled as “California RPS-Eligible” before such a determination can accurately be made.</u></p>
Page 52	<ul style="list-style-type: none"> <li>• <u>For solar thermal facilities using direct steam generation systems with no thermal storage capacity the monthly energy input for each fuel, in BTUs, used for maintenance or increase in thermal energy of the generation system during the period of time between the final daily termination of generation and the facility’s daily initial commencement of generation the next morning. in the pre-generation warming period, and the</u></li> </ul>

	<p>period of time between the final daily shutdown of the generator and the commencement of generation the next morning. Each of these fuel uses must be separately identified separately.</p>
Page 52	<p>For facilities subject to the de minimis quantity described in Subsection 2 of this section, the Energy Commission will make one of the following determinations:</p> <ol style="list-style-type: none"> <li>1. The use of nonrenewable fuel at the facility did not exceed the facility's de minimis quantity as calculated by the approved measurement methodology for that facility. The RECs representing generation attributable to the use of nonrenewable fuels or energy resources for that year that comply with the requirements of this guidebook will be RPS-eligible, and the RECs representing the nonrenewable generation will be labeled as "California RPS-Eligible" in the WREGIS system.</li> </ol>
Page 52-53	<ol style="list-style-type: none"> <li>2. The use of nonrenewable fuel at the facility exceeded the facility's de minimis quantity but remained below 10 percent of the total energy inputs of the system, as calculated by the approved measurement methodology for that facility. The generation attributable to the use of nonrenewable fuels or energy resources that exceeds the de minimis quantity will not be considered RPS-eligible, but However, the RECs representing the quantity of generation attributable to the nonrenewable fuel use that does not exceed the de minimis quantity for that year that comply with the requirements of this guidebook will be RPS-eligible and the RECs representing the nonrenewable generation, not exceeding the de minimis quantity will be labeled as "California RPS-Eligible" in the WREGIS system.<sup>89</sup></li> </ol> <p>Footnote 89: RECs representing eligible generation that occurred before the month during which the nonrenewable fuel use exceeded the annual allowable de minimis quantity will be labeled California RPS-eligible if they remain in the original WREGIS subaccount. The nonrenewable RECs representing generation for the month during which the limit was exceeded beyond the fraction that are eligible, and the nonrenewable RECS generated during the remainder of that</p>

Page 52-53	<p>2. <u>The use of nonrenewable fuel at the facility exceeded the facility's de minimis quantity but remained below 10 percent of the total energy inputs of the system, as calculated by the approved measurement methodology for that facility. The generation attributable to the use of nonrenewable fuels or energy resources that exceeds the de minimis quantity will not be considered RPS-eligible., but However, the RECs representing the quantity of generation attributable to the nonrenewable fuel use that does not exceed the de minimis quantity for that year that comply with the requirements of this guidebook will be RPS-eligible and the RECs representing the nonrenewable generation, not exceeding the de minimis quantity will be labeled as "California RPS-Eligible" in the WREGIS system.</u><sup>89</sup></p> <p><u>Footnote 89: RECs representing eligible generation that occurred before the month during which the nonrenewable fuel use exceeded the annual allowable de minimis quantity will be labeled California RPS-eligible if they remain in the original WREGIS subaccount. The nonrenewable RECs representing generation for the month during</u></p>
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## IV. RPS Tracking, Reporting, and Verification

### B. RPS Procurement Verification Reports

2. Verification Method Using WREGIS is revised as follows:

Page 116	<p><u>As noted in Section C 4: Counting Nonrenewable Fuel Use as RPS-Eligible, additional information is needed to verify that the fossil fuel nonrenewable RECs are eligible for California's RPS. This information as described above must be submitted to the Energy Commission no later than March 31 of the year following the generation year so staff may verify that the facility's use of nonrenewable fuel did not exceed the facility's nonrenewable fuel allowance as calculated by the approved measurement methodology for that facility review the material before the submission of WREGIS data.</u></p>
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